



RESTRICTED — Not to be released outside the General Accounting Office except on the basis of specific approval by the Office of Congressional Relations

COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

CED-77-75

5-9-77

B-114868

May 9, 1977

RELEASED

The Honorable Lloyd Meeds
House of Representatives



Dear Mr. Meeds:

On March 28, 1977, you requested that we prepare an estimate of the cost of implementing the recommendations that were made in the American Indian Policy Review Commission's tentative final report. You pointed out that you had asked that the staff of the Commission prepare an estimate of the cost of implementing the report recommendations, but the Commissioners declined your request. *DLG 05630*

On April 27, 1977, we met with you and pointed out that the Commission's report contained over 500 recommendations and that because of the nature of many of them it would not be possible for us to develop an estimate of the cost of implementing the report recommendations. You stated that we should attempt to provide whatever cost estimates we could by May 11, 1977, and explain why such information could not be developed for most of the recommendations.

Pursuant to your request, we contacted members of the Commission staff to ascertain whether a summary of the recommendations had been prepared. In response, the Commission staff provided us with a summary of 218 recommendations. This summary, however, did not include the so-called general recommendations contained in the report. We noted that many of the recommendations related to the Bureau of Indian Affairs (BIA), Indian health, and Indian education. We thereafter contacted officials of BIA, the Indian Health Service, and the Office of Indian Education to ascertain whether they had estimated the cost of implementing the recommendations directed to their respective agencies. We were advised that they had not been requested to develop such information and that applicable cost data was not available. *AGC 00006*
DLG 05631
AGC 000642

RELEASED

CED-77-75

One part of the Commission's report dealt with estimates of costs and/or savings for implementing 11 recommendations to streamline the management organization and efficiency of BIA, including one-time costs of \$830,000 and one-time savings of \$20,000,000. In addition, the report cited annual costs of \$272,000 and annual savings of \$111,850,000 for a net annual savings of \$111,578,000.

We attempted to determine how such estimates were arrived at and were advised that the costs were developed by the individual members of the study team based upon their experience. There was no data to support the costs or savings identified. For example, the report contained an estimate that \$20 million would be saved initially and \$5 to \$10 million annually by developing standardized material and supply inventory systems. However, the supporting working papers contained a statement that there was no way to estimate savings that can be attributed to a systematic approach to materials management in BIA.

With regard to the numerous other recommendations in the tentative final report and the summary or recommendations, we found that essential information needed for the preparation of cost estimates had not been developed. For example, one recommendation advocated that the Congress enact legislation that would provide funding to establish a placement agency to encourage Indians with training and experience to return to the reservation. In order to determine the cost of implementing this recommendation, information would be needed on (1) how the agency would operate, (2) agency size, (3) location, (4) facilities, (5) staffing, (6) salaries, and (7) equipment. No such information was available, according to the Commission staff.

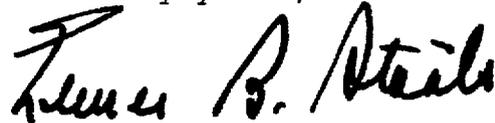
Another recommendation advocated that the Congress appropriate to the Indian Health Service sufficient funds for the purchase of fully equipped ambulances for reservations presently without them, including provisions for trained drivers and maintenance of the vehicles. To estimate the cost of implementing this recommendation, information would be needed on such matters as the number of reservations without ambulances, how many ambulances each reservation should have, what type of ambulances are needed, and who would perform the maintenance. Again, no such information was available.

The Commission staff advised us that essential information needed to prepare cost estimates had not been developed and was not available because they did not have time and the Executive agencies did not have the data the Commission needed.

With regard to your request that we identify those recommendations for which the Commission had developed cost estimates, our review showed that, apart from the previously-discussed recommendations involving BIA management, no cost estimates were included in the tentative final report. We did find, however, that certain individual task force studies contained cost estimates for particular recommendations. For example, "Task Force #7" on Reservation and Resource Development and Protection recommended that \$2 billion be appropriated for land purchases. The Commission staff advised us that while this and some other task force groups had made estimates of the cost of implementing their recommendations, these costs were not included in the tentative final report because the estimates were not adequately supported.

In summary, our review has shown that it is not possible to estimate the cost of implementing the Commission's recommendations because essential information needed to prepare such an estimate is not available.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Thomas B. Steils". The signature is written in a cursive style with a large initial 'T'.

Comptroller General
of the United States